THE VERIZON TELEPHONE COMPANIES

TARIFF F.C.C. NOs. 1 and 11

Compliance with the Federal Communications Commission's Fourth Report and Order in CC Docket 98-147

DESCRIPTION AND JUSTIFICATION

Transmittal No. 99

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SECTION 1

DESCRIPTION AND JUSTIFICATION

Introduction

Verizon submits tariff pages and supporting documentation to comply with amendment of the Commission's collocation rules as ordered in the Federal Communications Commission's Fourth Report and Order In the Matter of Deployment of Wireline Services Offering Advanced Telecommunications Capability, CC Docket No. 98-147, adopted July 12, 2001 and released August 8, 2001 ("Remand Order").

To comply with the rule requiring Verizon to provide cross-connections between collocated carriers pursuant to section 201 of the Act (see Remand Order, ¶ 63), Verizon is introducing Dedicated Transit Service (DTS) in its federal tariff to allow for interconnection between the collocated space of the same or of two different collocated customer's within the same Verizon premises provided that the equipment to which the service is connected is also used under section 251 of the Act for interconnection to Verizon or for access to Verizon's unbundled network elements.

Service Description

DTS allows a collocating telecommunications carrier to interconnect its network and its collocated equipment with that of another telecommunications carrier at Verizon's premises. DTS is provided between physical or virtual collocation arrangements of the same or of two different customers within the same Verizon premises. These connections are provided at DS1, DS3 or STS1 electrical levels or using dark fiber. Verizon will also provide other technically feasible cross-connection arrangements (including lit fiber) on an Individual Case Basis as requested by the collocating telecommunications carrier.

Application of Rates

DTS interconnection results in the application of recurring monthly rates and nonrecurring charges to the collocating customer.

Recurring Rates

Recurring monthly rates apply for cross-connecting a DS1, DS3, STS1 or Dark Fiber to each physical or virtual collocation arrangement involved in the DTS interconnection. In all states except the states of Maine, Massachusetts, New Hampshire, Rhode Island and Vermont, cross-connect rates apply effective with the installation of, or augment to, a physical collocation arrangement or at the time of equipment installation for virtual collocation arrangements. The application of cross-connect rates is further described in Section 19.6 of Tariff F.C.C. No. 1 and in Section 28.1.10 of Tariff F.C.C. No. 11. The cross-connect rates for these services are set forth in Section 19.7 of Tariff F.C.C. No. 1 and in Section 31.28 of Tariff F.C.C. No. 11. In the states of Maine, Massachusetts, New Hampshire, Rhode Island and Vermont, these rates apply as Office Channel Terminations (physical collocation arrangement) or as Virtual Office Channel Terminations (virtual collocation arrangement) at the time the DTS circuit is installed. The application of channel termination rates is further described in Tariff F.C.C. No. 11 in Section 7.1.2 for DS1 and DS3 interconnections, Section 26.1.6 for STS1 interconnections and Section 26.1.5 for dark fiber connections. Channel Termination rates for these services are set forth in Sections 31.7 and 31.26 of Tariff F.C.C. No. 11.

Nonrecurring Charges

Nonrecurring charges apply for service ordering and circuit provisioning of DTS interconnection between collocated spaces. The Service Order Charge applies for each order for DTS. The Circuit Provisioning Charge applies for each DTS interconnection established. The Service Order Charge and Circuit Provisioning Charge apply in lieu of the any applicable cross-connect nonrecurring charge for the Office Channel Termination or Virtual Office Channel Termination that would normally apply.

Justification

This filing is made in compliance with the Commission's Fourth Report and Order in CC Docket No. 98-147, released August 8, 2001.

SECTION 2

COMPLIANCE WITH COMMISSION'S RULES

This filing complies with §§61.49 of the Commission's Rules,[1] which specifies the material required to support new service tariff filings. The support material for existing recurring charges associated with cross-connection of DS1, DS3 and STS1 and for existing charges which apply for cross-connection of dark fiber were previously submitted and approved when these cross-connections were initially introduced, or restructured, in each Verizon Access Service tariff. Support material is being provided in the instant filing for the Service Order Charge and Circuit Provisioning Charge that are introduced in this filing. That support includes 1) a study containing a projection of costs for a representative 12-month period, 2) estimates of the effect of the new service on traffic and revenues, and 3) supporting workpapers for estimates of costs, demand, and revenues. Section 3 -- Costs, Demand, Rates, and Revenues, and the attached Workpapers contain the information required to comply with §§61.49.

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1 47 C.F.R. §§ 61.49.

SECTION 3

COSTS, DEMAND, RATES, and REVENUES

Cost Development

Monthly Costs

There are no monthly costs being introduced in this filing. Cross-connection to each physical or virtual collocation arrangement involved in the DTS interconnection applies based on existing tariff rate elements to cross-connect a DS1, DS3, STS1. The 2 strand Dark Fiber cross-connects apply based on existing tariff rate elements for cross-connecting fiber to a collocation arrangement as described in the tariff pages of the instant filing. Costs for these cross-connects were provided when the cross-connects were initially introduced into each Verizon tariff.

Nonrecurring Charges

Nonrecurring charges for DTS apply for interconnection between the collocated spaces. Verizon is introducing a Service Order Charge and Circuit Provisioning Charges which apply for the installation of a DTS interconnection. These nonrecurring costs were developed by multiplying the labor rate for each function by the estimated labor hours to perform that function.

Demand Forecast

The demand forecast for the service is based on customer input and shown in Workpaper 4.

Revenue Forecast

The projected revenues were calculated by multiplying the proposed rates by the projected demand. The projected revenues are calculated in Workpaper 4.

SECTION 4

WORKPAPERS

<u>Workpapers for FCC No. 11</u>

Workpaper 1-1	Service Order, NRC, Per Order, New York/Connecticut
Workpaper 1-2	Circuit Provisioning, NRC, Per DS1, New York/Connecticut
Workpaper 1-3	Circuit Provisioning, NRC, Per DS3/STS1, New York/Connecticut
Workpaper 1-4	Circuit Provisioning, NRC, Per Dark Fiber, Per Pair, New York/Connecticut
Workpaper 1-5	Service Order, NRC, Per Order, New England
Workpaper 1-6	Circuit Provisioning, NRC, Per DS1, New England
Workpaper 1-7	Circuit Provisioning, NRC, Per DS3/STS1, New England
Workpaper 1-8	Circuit Provisioning, NRC, Per Dark Fiber, Per Pair, New England
Workpaper 1-9	Demand, Costs, Rates, and Revenues, FCC No. 11

<u>Workpapers for FCC No. 1</u>

Workpaper 2-1	Service Order, NRC, Per Order, FCC No. 1
Workpaper 2-3	Circuit Provisioning, NRC, Per DS1, FCC No. 1
Workpaper 2-4	Circuit Provisioning, NRC, Per DS3/STS1, FCC No. 1
Workpaper 2-5	Circuit Provisioning, NRC, Per Dark Fiber, Per Pair, FCC No. 1
Workpaper 2-6	Demand, Costs, Rates, and Revenues, FCC No. 1